



Individual Training Accounts and Eligible Training Provider Provisions

U.S. Department of Labor
Employment and Training Administration

Overview

- Introduction
- Individual Training Accounts (ITAs) Provisions
- Eligible Training Provider (ETPs) Provisions
- State and Local Perspective
- Questions & Answers

Who Receives ITAs?

- Title I of WIA specifies three tiers of service
 - ▶ ITAs are to be used for training services
 - ▶ Training may be provided to employed & unemployed adults & dislocated workers who:
 - Meet eligibility determination requirements, received at least one core & intensive services, & are determined by the O/S operator or partner program to need training
 - Select a training in an occupation in demand
 - Unable to obtain grant assistance from other sources

Key ITA Issues

Overview of Final Rule

■ ITA Regulations

- ▶ Few changes between interim & draft final

■ Preamble

- ▶ Seeks to give maximum flexibility to SWIB & LWIBs
- ▶ No specific federal provisions for dealing with
 - Payment procedures (electronic transfer, vouchers, etc.)
 - Duration or amount limits
 - Policies on exceptions to limits

Key ITA Issues

In Final Rule

■ Availability of Funds

- ▶ O/S operator must establish an ITA & refer adults & dislocated workers determined eligible for training to training unless adult & dislocated worker program has exhausted PY training funds
 - Previous availability was related to Title I funds in general

Key ITA Issues

In Final Rule

■ Training in Demand Occupations

- ▶ Training should be related to demand occupations in the local area or participant must be willing to relocate
- ▶ LWIBs must set policy for how “demand occupation” is determined
- ▶ LWIBs training approval policy may allow participants to show job availability

Key ITA Issues

In Final Rule

■ Customer Choice

- ▶ Out-of-local area or out- of-state use of ITAs
 - If State has an agreement with other State(s), participants can use their ITAs with out-of-state providers
 - Participants may use their ITAs with any provider on the State ETP list
- ▶ SWIB and LWIBs policy implications
 - Increased transportation
 - Living expenses
 - Time

Key ITA Issues

In Final Rule



- SWIB and LWIBs may set dollar & duration limits on ITAs
 - ▶ Must be described in State or local plan
 - ▶ Limits must be reasonable and should not restrict customer choice
 - Some State/local areas allow exceptions to the limit based on other criteria (e.g., type of training)
 - Some policies set a limit for individual participants & others establish range of amounts

Key ITA Issues

In Final Rule

- SWIB & LWIBs may set dollar & duration limits (continued)
 - ▶ New Provision
 - Participants may select training that costs more than the ITA when other sources of funds are available to cover the difference (e.g., Pell grants, severance pay, scholarships, etc.)

Key ITA Issues

- Consultation with customer on training choices
 - ▶ LWIBs need to decide how to identify the customer's training choice
 - Require participant sign-off
 - Require supervisor's signature
 - Require group of case manager to review



Key ITA Issues

■ ITA Payment Systems

- ▶ Ensure strong fiscal accountability
- ▶ Prevent fraud and abuse
- ▶ SWIB & LWIBs decide which payment mechanism to use:
 - Checks
 - Paper vouchers
 - Electronic payment systems
 - Bank cards, etc.



Exceptions to ITAs

- Contracts may be used for training (but are expected to be used infrequently)
- Contracts for training services may be used for:
 - ▶ On-the-job training (OJT) or customized training
 - ▶ LWIBs determine there are an insufficient number of training providers
 - ▶ LWIBs determine which training programs have demonstrated effectiveness in serving special participants faced with multiple barriers to employment

Exceptions to ITAs

- Special populations facing multiple barriers are low income individuals in one or more of the following:
 - ▶ Substantial language or cultural barriers;
 - ▶ Offenders;
 - ▶ Homeless; and/or
 - ▶ Other hard-to-serve individuals as defined by Governor

Exceptions to ITAs

- LWIB determine if there is an insufficient number of eligible training providers in their area:
 - ▶ Local plan must describe process to select providers under a contract for services
 - ▶ Process must include 30 day public comment
 - ▶ Exception should be used judiciously; applies primarily to rural areas

Exceptions to ITAs

■ ETPs - Eligible Training Providers

- ▶ OJT & customized training providers must be identified in accordance with Governor's criteria under WIA Section 122(h)
- ▶ O/S operator must collect performance information on OJT & customized training providers as required by the Governor (Section 122(h))
- ▶ O/S operator must disseminate information identifying providers that meet the criteria as ETPs

Eligible Training Providers

Establishing the Connection Between ITAs & ETPs

- Eligible WIA Title I adults & dislocated workers may only use ITAs with ETPs of eligible training programs
 - ▶ Providers & their programs qualify
- Eligible participants use the ETP list, which includes information on providers & programs, to make an informed choice
 - ▶ Consumer reports

ETP Application Procedures

■ Governor *Whose Job Is It Anyway?*

- ▶ Establishes criteria for initial non-HEA & non-NAA & subsequent eligibility
 - Designates a State agency
 - Reviews & verifies performance information
 - Compiles local lists to form State ETP list

■ LWIB

- ▶ Receive applications from training providers
- ▶ Reviews applications & approves/disapproves
- ▶ Forwards approved providers & programs to State

Consumer Reports System

Program & Provider Performance Information

- Performance information on providers & their programs must be made available to:
 - ▶ WIA Title I training participants
 - ▶ One Stop customers (i.e., core service and customers whose training is supported by other O/S partner programs)
- Performance information on providers & their programs will be available in:
 - ▶ State & local ETP lists
 - ▶ Consumer reports (hard copy or electronic)

2 Types of Training Programs

- Training programs eligible under Title IV HEA or approval under NAA
 - ▶ Application procedures developed by LWIB
 - ▶ Performance information not required for initial eligibility
- Training programs not eligible under HEA or approved under NAA (e.g., CBO, private vendor, labor organization)
 - ▶ Application procedures developed by Governor
 - ▶ “Appropriate” performance information required for initial eligibility

Two Phases of Eligibility

Initial & Subsequent Eligibility

■ Initial Eligibility

- ▶ Duration of may last 12 to 18 months depending on the State's approach (then subsequent eligibility kicks in)
 - Set one year from date of initial application
 - Set same date every year for review
- ▶ HEA & approved NAA programs that submit acceptable applications must be approved by LWIB
- ▶ “Appropriate” performance information required for non-HEA & NAA programs

Two Phases of Eligibility

Initial & Subsequent Eligibility

■ Subsequent Eligibility

- ▶ Annually submit “program-specific” information
- ▶ LWIB reviews & determines if performance levels were met for each program
- ▶ LWIB forwards approved local list of providers & programs to State agency for inclusion on State ETP list
- ▶ State verifies information & adds successful providers & programs to State ETP list

Performance Requirements

Initial: For non-HEA & non-NAA

- Governor sets general standards for non-HEA & non-NAA programs
- No requirement to permit local adjustments to performance levels
- No federally required data sources for initial eligibility

Performance Requirements

Subsequent: For all programs

- Governor establishes procedure & sets baseline performance levels
- LWIBs can set higher performance levels
- Requires adjustments for local & client factors
- Requires use of UI wage record data for program-specific performance measures

Eligible Training Provider

In Final Rule

■ Program/Provider

- ▶ Providers' programs must be determined eligible
- ▶ Providers remain eligible if one program is eligible

■ Definition of a Program

- ▶ One of more course
- ▶ Certificate or degree
- ▶ Skills or competencies that are recognized by employers
- ▶ Skills or competencies determined prior to trng.

Eligible Training Provider

In Final Rule

- Assuring a wider variety of programs & occupational choices
- Performance requirements to be based on sound methodology
- Affirmative steps to include CBO programs & non-traditional training programs
- Comments/solicitations of provider's views in developing State procedures

Eligible Training Provider

In Final Rule

- Provider's Costs for Data Collection
 - ▶ Governor must establish procedures to determine whether there are extraordinary costs in the collection of information
 - ▶ Governor can determine limits

Eligible Training Provider

In Final Rule

■ LWIBs

- ▶ Limited authority to exclude providers & programs
 - Must include all HEA & NAA programs that provide complete application
 - Must include all non-HEA & non-NAA programs that meet the Governor's procedures
- ▶ Must make State list with additional local information widely available
- ▶ Inform customers of right to choose any training provider & program on the State list

Consumer Report System

Vehicle for Informing Customers

- Federally required:
 - ▶ Alternative formats for individuals with disabilities (29 CFR 37.9)
- Federally encouraged:
 - ▶ User-friendly
 - ▶ Available in Satellite & Affiliate One-Stops
 - ▶ Other information - Entry requirements & occupational information

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...Questions...

State and Local Perspective